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JEFFERSON AND PUBLIC POLI- CIES OF TO-DAY

Address delivered in Cabell Hall, April 13, 1911, on the occasion of
the celebration of the birthday of Thomas Jefferson,
the founder of the University of Virginia

BY

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JEFFERSON AND PUBLIC POLICIES OF TO-DAY.*

JEFFERSON AND THE UNIVERSITY OF VIRGINIA.

The University of Virginia is honored in its founder. This is an exceptional circumstance in the history of colleges and universities. For as a rule it is by these institutions alone, or almost always alone, that the names of their founders are perpetuated and acquire historic recognition and public honor and esteem. What do we know of John Harvard and Elihu Yale, or even of Ezra Cornell and Leland Stanford, apart from their creative munificence to the universities which bear their names? By these foundations alone their memory has been rescued from the all-devouring ocean of time and oblivion.

But the founder of the University of Virginia was one of the most illustrious men of his time. When only thirty-three years of age he had been selected by the wisest statesmen in America to write the Declaration of Independence. Three years later he was elected Governor of Virginia; and in 1784 he left Congress, which he had re-entered, to become Minister to France. Here for five years he witnessed with intense interest the initial movements and the thickening tragedy of the French Revolution, though the final catastrophe came after Washington had called him home to become the first Secretary of State in the new Government of the United States. Four years after Washington's retirement Jefferson himself succeeded to the presidency, which he held for two terms; and when he retired in 1809 hosts of his fellow-citizens besought him to become a candidate for the third term. But his resolution was unalterable. He had already been about forty years in the public service. And, in spite of some reverses and some failures, he had been pre-eminently the child of good fortune. He retired, says a critical biographer, "with a reputation and popularity hardly inferior to that of Washington." If his personal prestige had been diminished by his embargo policy, it was still immense.

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"Probably three quarters of the nation believed him the greatest, wisest, and most virtuous of living statesmen."

The University of Virginia was uniquely and almost miraculously fortunate in having a founder of such unchallenged merit and such world-embracing fame. Christ Church at Oxford owes its origin to the greatest English statesman of his age; but Woolsey fell from power before his darling project was well under way, and at Christ Church as elsewhere his glories were engrossed by his royal master, Henry VIII. But this University is Jefferson's sole creation. And in idea and accomplishment it occupied his mind for the long space of forty years. It is clear from a letter which he wrote to Dr. Priestly in 1800 that the outlines of the scheme were then fully drawn in his mind. He did not forget the matter during his presidency, when he availed himself of opportunities to get further information. After his retirement, the War of 1812 interposed an insuperable obstacle to the prosecution of the design, but "from the peace of 1815 to the close of his life," says Parton, "the University of Virginia was the chief subject of his thoughts, and the chief object of his labors."

Jefferson, apart altogether from his fame, was worthy to be the founder of a university. A devotee of knowledge, he welcomed new ideas with ardor and enthusiasm. Ignorance and superstition he deeply felt to be the bane of mankind. He had faith in the power of science and scholarship to emancipate and enlighten the fettered and benighted minds of men. Knowledge he declared to be the condition and the path to progress and civilization. In the fine phrase of Heine, Jefferson was a genuine knight of the holy spirit of truth. There was nothing in the mind and attitude of this eighteenth century statesman uncongenial with the latest results of science and criticism. Indeed, we can not examine his ideas and reasoning without being impressed with the note of modernity. In the intensest centers of our latest intellectual life and thought Jefferson would have been thoroughly at home. Unmoved by the appeals of convention, tradition, and dogma he was the apostle of reason, and of reason alone.

And the University he set up bears the marks of this rationalizing spirit. It was a secular, not a denominational, university. And in place of the one arts course, it offered parallel courses,

in which, in the words of Ezra Cornell, "any person might find instruction in any study." Expert attainment in their several fields was to be the qualification of the professors; and Jefferson hoped "to draw from Europe the first characters in science by considerable temptations." Besides suitable emoluments, the teaching office was also to be dignified by the independence of the incumbents. The students were to be treated as citizens and men of honor, without espionage and without boyish restraints. And having provided for the members of his academic community Jefferson insisted that they should be domiciled in buildings worthy of Virginia and nobly reminiscent of the classic architecture which he so enthusiastically admired.

Even after the experience of a hundred years, during which university education in America has been revolutionized, what programme better than Jefferson's could you to-day adopt? Earnest students, thrown on their own sense of honor and right, pursuing the studies they need or desire; professors distinguished by their abilities and attainments, and honored for their devotion to the intellectual life; courses of study embracing all branches of human knowledge and adjusted to the demands of the different pursuits and vocations of life; and, finally, halls of instruction and houses of residence as substantial and beautiful as the skill of mechanics and the art of architects can make them,—at once things of use and beauty to facilitate the life and form the mind and taste of successive generations of students and public monuments to report our age to the ages that shall be, as to us the architecture of Oxford and Cambridge enshrines the spirit of many centuries of English history. For my own part I should be ready to accept with very little adaptation or modification Jefferson's conception of a university in its entirety and in all its applications—human, educational, and architectural.

JEFFERSON'S FAITH AND TRUST IN THE MASSES.

Has Jefferson's political philosophy stood the test of time as well as his educational philosophy?

I cannot undertake here and now to answer this question exhaustively. But there are certain aspects of it which I think we may profitably consider in the short time allotted to the address with which you commemorate Jefferson's birthday. "The

penalty which a great man inflicts upon the world," says Hegel, "is that it compels it to understand him." And the immunity which a great man enjoys is that his fame is secure. In examining Jefferson's political philosophy, therefore, we need not hesitate either to praise or to criticize, for nothing we can say will alter the intrinsic greatness of the man or affect the popularity in which public sentiment has for a century enshrined his name. For the rest, all I shall attempt is to answer the modest inquiry how some part of Jefferson's theory of government looks after a development of one hundred years and in the light of the ideals, demands, and experiences of the present day.

The central point in Jefferson's political philosophy was his trust in the masses of the people and his devotion to their interests. In this respect he was a born democrat. His enemies, indeed, called him a demagogue, but the title was undeserved, for Jefferson was a most sincere friend of the common people. He not only served them, as other politicians have done before and since, but he respected them, he believed in them, he shared their views and ideals, and he was convinced they would make a wise use of their power and influence in the republic. If Jefferson had been a time-serving politician the public would have soon detected him; but he held the confidence and the affection of the great masses of the American people as no other mere civilian leader has ever done, and to this day the reverence with which they cherish his memory is the best evidence of their faith in his honesty and sincerity. For any parallel you must go back more than two thousand years to Pericles and the Athenians.

No contemporary of Jefferson's shared his democratic sentiments. The founders of the Republic and the framers of the constitution in general felt a profound distrust for the multitude. The checks and balances of the constitution are in large part restraints imposed by the classes upon the masses. The people could not be trusted to elect a president, so an electoral college was devised for the purpose. The people, indeed, were given representation in the House of Representatives, but the powers of that body were strictly limited, and an aristocratic Senate was provided to check any undue leanings to democracy. The upper classes of society were also further protected by the property qualifications for voting which at that time universally prevailed. It occurred to no man then living save Jefferson alone to drop

his plummet into the vast depths of humanity beneath the glittering surface and to discern in its movements the source of the currents of the nation's life. In that countless and disregarded multitude Jefferson placed his faith and hope. Not only would they in time outvote and overcome the select classes who supported Hamilton, but by their influence the government would become an agency for the execution of the people's will instead of an agency for curbing and frustrating it. The people—the vast multitude—had the right to govern; freedom consisted in exercising the right; and their government would be wiser, juster, and more expedient than any other government that could be devised. Jefferson considered Americans superior to Europeans in freedom and dignity of mind and he attributed this to the circumstance that in America things were “under the control of the common sense of the people.”

THE NEED OF LEADERSHIP.

Such was the political faith of this trustful and enthusiastic humanitarian. It was certainly an easy way to introduce an ideal commonwealth on earth. But however roseate may have been Jefferson's expectations of the result, it can not be denied that he correctly forecast the democratic developments of the constitution. That the people of the United States would themselves ultimately control their government Jefferson with an insight quickened by sympathy clearly divined. What he did not foresee—what his humanitarian enthusiasm prevented his seeing—is the fact that unrestricted democracy, inevitable as it is in America, and just and proper as it is in itself, is not so much the solution of the great problem of government as the formulation and challenge of a new problem which imperiously calls for solution.

The greatest difficulty in government is to find wise leadership. Jefferson inevitably became leader of the party he created, and he handed on the leadership to his lieutenants, Madison and Monroe. All this was so natural that it went on almost unconsciously and automatically. Hence the problem of leadership simply had no existence for Jefferson. He took it for granted that the multitude would always select for leaders men of the highest character, of the most eminent ability and the most enlightened and comprehensive intelligence. I need not say that

the history of our politics has falsified this flattering expectation. As a rule our political leaders do not rise above the average of their followers. And where poverty and ignorance abound this average is deplorably low. In this fundamental regard democracy has not worked as Jefferson blinded by thoughtless though generous enthusiasm assumed that it would work. And yet without able and reliable leaders democracy is a ship without a rudder exposed to all the dangers of the sea and tempest. But when a master pilot, like Jackson or Lincoln, grasps the helm, how magnificently she rides the troubled waters!

JEFFERSON'S OPPOSITION TO A STRONG GOVERNMENT.

Another characteristic feature of Jefferson's political system was his opposition to a strong central government. "Let the general government be reduced to foreign concerns only," he said, "reduced to a very simple organization, and a very inexpensive one; a few plain duties to be performed by a few servants." Jefferson dreaded an efficient government as an enemy of freedom; and with him freedom was a religion. To assure the rights of man, he would minimize the functions and weaken the power of government. He was so hostile to governmental control that he came perilously near to anarchy. And this was not a philosophical tenet of abstract reason, but a faith and doctrine of the heart and feelings, which he proclaimed with the religious fervor of an apostle. Opposing theories, therefore, became heresies of the deepest dye. The centralizing tendencies of Federalism were to him anathema. Hamilton, in his perfervid imagination, became the evil genius of the new government. Hamilton and his friends were denounced as "monocrats" bent on the establishment of monarchy. Washington remonstrated that "there might be desires, but he did not believe there were designs, to change the form of government into a monarchy." But nothing could dispel from Jefferson's mind the belief in a monarchical conspiracy, of which Hamilton was the head and front. And Hamilton's great financial measures seemed to him only engines of influences for the destruction of popular government. What place, we may ask, was there for a Hamilton in Jefferson's conception of the Union as a mere league of independent powers united for the single purpose of intercourse with foreign nations?

In August, 1800, Jefferson had declared that "the true theory of our constitution is surely the wisest and best: that the States are independent as to everything within themselves, and united as to everything respecting foreign nations." And in 1803 as President of the United States Jefferson purchased Louisiana from Napoleon! He himself declared that there was no warrant in the constitution for his action. And he advised that "whatever Congress shall think it necessary to do, should be done with as little debate as possible, and particularly so far as respects the constitutional difficulty." Yes, indeed, the less said about the "constitutional difficulty" the better. For the inexorable logic of facts had swept away Jefferson's abstract doctrine of the limits of the federal government. In purchasing Louisiana he had performed an act of the highest statesmanship. Yet the performance was as centralizing in its nature and effects as any of the measures for which he had so recently denounced Hamilton.

BUT STRONG GOVERNMENT CAN BE UNDER POPULAR CONTROL.

There seems to be no real foundation for Jefferson's contention that a government to be free and popular must be a weak and inefficient government. Liberty is indeed a great blessing and worth much sacrifice to procure. But it does not follow that "a little rebellion now and then is a good thing" or that "the tree of liberty must be refreshed from time to time with the blood of patriots and tyrants." On the contrary, there can be no liberty worthy of the name without security of life and property. And to safeguard life and property, to maintain order, to assert justice, to protect the weak and defenceless against aggression, a strong government is absolutely essential. But in a republic like ours, this government is the people's own government, and to the people it is responsible. A government vested with all the powers necessary for the prompt and efficient discharge of its functions will not be a menace to the liberties of the people in a republic in which the people themselves set up their government and watchfully and sternly hold it to account. I am not pleading against Jefferson for undue or unnecessary centralization of power in the central government. I am only pointing out that in our democratic system, under the control of public opinion, the government may be given all the

power which is requisite for prompt and efficient action without any danger to individual rights or liberties.

HAMILTON'S VIEW OF DEMOCRATIC GOVERNMENT.

The financial policy of Hamilton, which Jefferson so bitterly opposed, had for its supreme object the strengthening of the federal government. That government was very much weaker than Hamilton had desired to see it. In the Constitutional Convention he had advocated an aristocratic republic modeled on the English monarchy under which the powers of the states should be greatly curtailed. President and senators were to be elected by the propertied classes and were to hold office during good behavior, while governors of states, with a veto on state legislation, were to be appointed by the President of the United States. Hamilton believed that the government established under the constitution was too democratic to endure, and his distrust was deepened by the occurrences of the French Revolution. But as a patriotic and practical statesman he felt in duty bound to support it. And as Secretary of the Treasury he would do his best to invigorate its powers. He sought by his financial policy to bring to the support of the new government, without regard to political parties, the existing class of men of wealth and substance. He would fund and consolidate all the debts of the United States resulting from the war and use the new issue to bind the propertied classes to the government by the strong ties of pecuniary interest. A national bank was a second important provision of Hamilton's financial policy. The report on manufactures was its culminating feature. As constitutional authority for these policies Hamilton invoked the implied powers of the constitution. Jefferson, who afterwards as President added Louisiana to the Republic, thought him an enemy of the constitution and a monarchical schemer. Yet as *The Federalist* had already demonstrated, and as these very financial measures were later to prove, Hamilton was the most efficient friend the constitution has ever had.

Jefferson and his followers railed against the capitalists who had been brought to the support of the government. They declared that the South and agriculture were sacrificed to the North and trade. They held Hamilton responsible for the speculative mania which followed upon the success of his finan-

cial measures. And Jefferson reiterated his doctrine that the Union was simply a league of sovereign states united for international affairs. Nevertheless Chief Justice Marshall accepted Hamilton's reasoning, and the Supreme Court recognized the implied powers of the constitution. What a large part that doctrine has played in the development of the United States as a nation need not be considered here.

WOULD JEFFERSON BE A STRICT CONSTRUCTIONIST TO-DAY?

As the constitutional developments of Jefferson's day turned on the theory of implied powers, so the constitutional developments of our own time center on the interstate commerce clause of the constitution. One wonders whether, if living to-day, Jefferson would be as strict a constructionist as he was a hundred years ago. It is true that when he demanded that the general government should be "reduced to foreign concerns only" he did not overlook "commerce, which (he said) the merchants will manage the better the more they are left free to manage for themselves." But our experience is that trade and commerce, when "left free to manage for themselves," in this age of science, invention, and organization tend to become monopolistic and oppressive. They are apt to extort exorbitant prices from the consuming public, who, in the absence of competition, have no way of protecting themselves. The federal congress has legislated against such monopolies in restraint of trade; and the federal executive is enforcing that legislation. As a rule the masses of the people approve of this policy; the opposition is confined to capitalists and promoters. I venture to hazard the opinion that if Jefferson were living to-day, his love of liberty, his hatred of oppression, his fervent democracy, his devotion to the interests of the vast inarticulate mass of the American people would lead him to set statesmanship above political consistency as he did when he stretched or ignored the constitution and authorized the purchase of Louisiana. Broad construction of the constitution was in Jefferson's day embodied in a rival party leader and it inured to the benefit of the aristocratic classes. To-day parties do not divide on the doctrine of broad or strict construction, and the beneficiaries of anti-trust legislation are the consuming masses of our population. Hence Jefferson, the father of democracy and apostle of liberty, might to-day insist on a strong and active central govern-

ment for the protection of the rights and interests of the general public against the aggressions, real or possible, of consolidated capital and monopoly. The welfare of the people is the supreme end, and government, whether weak or strong, is only a means for its accomplishment. There was also a prejudice of Jefferson's which would have inclined him to stretch the constitution for the benefit of the people in general. He had a special aversion to merchants. "Merchants," he wrote, "are the least virtuous citizens, and possess the least *amor patriæ*." How could such a statesman have advocated a strict construction of the constitution in company with the merchant princes, financiers, and multimillionaires of to-day?

SEPARATION OF LEGISLATIVE AND EXECUTIVE DEPARTMENTS.

In his own day, however, Jefferson claimed for the states every power not *expressly* yielded by the constitution to the general government. And the next item in "the Jefferson system in brief," as formulated by Parton, is the demand "that the three great departments of the Government, Congress, the Executive, and the Judiciary, should each keep to its sphere, neither of them encroaching upon any of the others."

As members of Washington's cabinet Jefferson and Hamilton each charged the other with exercising influence on members of Congress. "I have long seen," says Hamilton in a letter to President Washington, "a formed party in the legislature under his (Jefferson's) auspices, bent upon my subversion." And in a similar letter Jefferson wrote that Hamilton was guilty of "creating an influence of his department over the members of the legislature" and securing "the votes of the very persons, who, having swallowed his bait, were laying themselves out to profit by his plans." Hamilton made no secret of his interference with Congress; he evidently regarded himself as parliamentary leader of the administration. Jefferson on the other hand never posed as a leader. He expressed opinions, made suggestions, dropped hints to his friends. He was a mysterious influence rather than an aggressive power. When President, Congress obeyed him without knowing he had given orders. He led the people because they trusted him, and they never suspected he was leading them. In personal supremacy over his followers he has never been matched by any other President or by any other political leader.

PARTY GOVERNMENT UNITES LEGISLATIVE AND EXECUTIVE DEPARTMENTS.

When Jefferson and his followers controlled the executive and legislative departments of the government, what harm was there in practical recognition of that fact? Why should they attempt to keep separate two departments whose harmonious action was necessary for the best administration of the government and the best interests of the party which occupied and controlled them? The shibboleth of the separation of the executive and legislative departments, though solemnly proclaimed as a part of the Jeffersonian creed, was actually ignored in Jefferson's administration. And this was inevitable. A great party leader, like Jefferson, is followed by the members of his party, even by those who happen to have seats in Congress—nay, especially by those who have seats in Congress.

In no other way is responsible leadership possible. Parties are an essential element of our government. If the chief executive does not lead his party, then an extra-constitutional agency will be set up to lead it, and this agency will dominate both the executive and legislative departments of the government. As this power is an usurpation in its origin, so is it irresponsible in its operations. This is the way the boss gains his power. And bosses, or irresponsible managers, are inevitable so long as we do not have responsible leaders. And for responsible party leadership the one suitable organ furnished by our constitution is the chief executive. And if the chief executive leads and his party associates in the legislative department follow, the formal separation between the two disappears, as it disappeared under the leadership of Jefferson.

DEMOCRACY UNITES LEGISLATIVE AND EXECUTIVE DEPARTMENTS.

The fact is that we have outgrown the constitutional separation of the legislative and executive departments as completely as we have outgrown the constitutional plan for the election of a President. Both rested on the recognition of separate social classes and interests. Congress represented the states and the people; the President, selected by the electoral college, was independent of both. Under this arrangement, therefore, it was as essential that each should keep in its own separate sphere as was the case with the King of England and the House of Com-

mons. But democracy has since come into the world. And democracy has stripped the King of England of his executive functions and vested them in a committee of Parliament known as the Prime Minister and Cabinet. Not only has the separation of the executive and legislative departments disappeared in England, but Parliament has taken over the executive functions and through the Cabinet discharges them as long as the party in power can command a majority of the House of Commons. The administration is constantly responsible to Parliament for all its acts, and as the members of the House of Commons are elected by the people and the Lords have only a suspensory veto on the resolutions of the House, the people really control their government.

In the United States a parallel development has taken place. Democracy has set aside the electoral college, which survives only as an empty form, and made the presidency truly a representative institution. Congress represents localities, the President represents all the people. Before the democratic revolution, which popularized the presidency, Congress was the more important department of government. And in Congress, as Calhoun said, the House was "a much more influential body than the Senate." It was so in Jefferson's time. In those days the Congressional Caucus, in which the House was far more influential than the Senate, named the candidates for the presidency. This superior prestige was maintained until Jackson came and based the presidency upon the will of the people. Hereafter the presidency became the organ of national party purposes, the seat of party authority, and the motive force of the administration. The time predicted by Hamilton had arrived. The time, he said, will "assuredly come when every vital question of the state will be merged in the question, 'who shall be the next President?'"

Nothing could resist the triumphant march of democracy. The framers of the constitution meant to set up a government of the masses by the classes. They assumed that here, as in England, the gentry would control every branch of the government. *The Federalist* asserted that Congress would be "composed of landholders, merchants, and men of the learned professions." The House of Representatives had, like the House of Commons, the right to originate money bills. But the Senate, as John

Adams puts it, was "to be the guardians of property" and also "the controllers in turn both of kings and ministers on one side and the representatives of the people on the other when either do wrong." The checks and balances of the constitution were restraints upon different social classes. The framers of the constitution were especially apprehensive lest the House of Representatives should break over the barriers they set up. That is why the constitution conferred exclusive privileges upon the President and the Senate. And indeed it was the masses of the people, whose interests the House was intended especially to safeguard, who revolutionized the constitution by making the presidency an elective institution. But since that change took place, since the electoral college became a rubber stamp, since property qualifications for voting were abolished and since in consequence, House, Senate, and President alike came to represent the people either in groups or in their entirety, without regard to social classes or interests, the *raison d'être* for separating the legislative and executive departments of government have entirely disappeared. Meanwhile party organization tends more and more to unite these two branches of government. When it is done in secret an irresponsible boss controls the government. When it is done openly, under the leadership of President or Governor, we have responsible party leadership. And so far as I can see there is no other way of securing responsible party leadership under our system of government. If the elect of the people is not the leader of the victorious party his place is usurped by a self-constituted and irresponsible boss.

OTHER TENETS OF JEFFERSON'S SYSTEM.

The remaining tenets of the "Jeffersonian system in brief," as sketched by Parton, may be grouped together. They embrace freedom of religion, freedom of the press, free criticism of government, whether just or unjust, and freedom of inquiry and the encouragement of the progress of science in all its branches. These are policies to which the American people have always been committed and which they have carried out into practice both before and since Jefferson's time. Some of the rest of Jefferson's precepts have been disregarded. Yet they were very important features of his political programme. Economy of administration was one of them: "a government rigorously frugal

and simple." Another was anti-militarism: "in peace no standing army and only just navy enough to protect our coasts and harbors from ravage and depredation." But in no case have we departed farther from Jeffersonianism than in setting up a protective system of import duties. His ideal was "free-trade with all nations; political connection with none."

President Taft's argument for freer reciprocal trade with Canada and the democratic promise to revise the tariff downwards will have the effect at least of turning our faces towards Jefferson's ideal. It is quite possible that these tariff changes, while lowering the prices of commodities to the consumer, may at the same time involve reductions in the public revenues. Meanwhile the expenses of government have in recent years risen at a rapid and alarming rate. The general sympathy of our people with all peace movements and their advocacy of the principle of arbitration may in the end issue in the reduction of national armaments. But so long as other great nations maintain powerful navies it would not be statesmanship for the United States to remain unprotected. And Jefferson's ideal of a little navy to serve as coast guard will be dismissed as chimerical by naval strategists who tell us that the first business of a navy, when war comes, is to strike the enemy wherever he may be found in any of the four quarters of the globe. Altogether, therefore, I see no immediate prospect of a return to the simple and economical administration of government which Jefferson maintained and proclaimed, while the revision of the tariff in the direction of free trade may leave us with diminished income to meet our steadily increasing expenditures.

JEFFERSON AND THE INCOME TAX.

Purely on the ground of financial necessities, therefore, an income tax may soon become a part of our fiscal system. And that the tax rests on intrinsically sound considerations seems to be demonstrated by its recent acceptance as a permanent part of the fiscal system of Great Britain and its adoption in France, Germany, and other countries in Europe and elsewhere. The fact is that the general property tax, so far as the vast entirety of intangible property is concerned, is practically evaded; and taxes on consumption fall most heavily on the poor and on persons of very moderate means. The result is that those who are

best able to pay escape with relatively the lowest taxes. The income tax, as a supplement to the existing system of taxation, is a way to correct this injustice. It is a result of the struggle for social and fiscal justice in democratic communities in which, as universally happens, the more prosperous and influential classes had thrown the heaviest burden of taxation on those least able to bear it and least able to make their protests effective. In the United States the wealthier classes, under existing conditions, are bearing a relatively diminishing share of the burden of public taxation. The justification of the income tax is that it is the only way of redressing that inequality and restoring a just equilibrium between the fiscal burdens of all classes of our citizens. For justice, as Plato long ago set forth, is the soul of the republic. And a democratic republic cannot long endure if the masses of the people feel that its rich men are not contributing their fair share to the maintenance of the government. Such a condition to-day exists among ourselves. Go among the mechanics in our great cities or among the farmers in the country and you will hear the same discontented protest. The national tariff imposes a disproportionately heavy tax on the expenditures of the poor; the state and local systems of taxation fail to reach the personal property of the rich; shall they not then be supplemented by an income tax, as an adjunct to our tax system, which shall require every one to pay in proportion to his ability with the exemption of a reasonable minimum for the requisite means of subsistence? I have no doubt that with his great sympathy with the inarticulate masses of the people and his devotion to their interests Jefferson would have answered this question in the affirmative. Furthermore, there is no blinking the fact that the emergence and development of the income tax has coincided with the spread of Jeffersonian democracy throughout the world. For this reason I have no doubt that the income tax is inevitable in the original home of democracy. The constitutional and political obstacles which have retarded the progress of this fiscal reform amongst ourselves will somehow be removed. Our written constitution was made for the welfare of the people. And while it may delay, it cannot prevent, the fulfillment of the democratic demand for social and fiscal justice.

The stock argument against the income tax is that it is inquisitorial. In all the European countries which have adopted

it this objection had to be met. And it was urged a generation ago in England with tremendous effect. But two circumstances may now be cited as disposing of it. In the first place experience has demonstrated that these inquisitorial terrors are largely imaginary. And, secondly, the British government, in the course of their somewhat prolonged experience, have hit upon a method of collecting the income tax which disposes, in large part, of the necessity of consulting individuals about their incomes. Instead of collecting the tax from the individual they collect it at the source from which it flows to the individual. This is known as the stoppage-at-source method of collection. And the careful calculations made by the French government prove that three fourths of the revenues to be expected from the French income tax would be raised by the stoppage-at-source method. American conditions are peculiarly favorable for the operation of the stoppage-at-source method of collecting an income tax, first, because our investments are almost exclusively domestic and, secondly, because so large a portion of our business has assumed a corporate form. I need not here go into further details. It is enough to say that probably three fourths of the entire receipts of an income tax in the United States could be collected by this stoppage-at-source method.

STATE AND FEDERAL TAXES.

We may be sure that in dealing with this subject of taxation Jefferson would have safeguarded the fiscal interests of the states. Those interests are to-day in jeopardy. The states grant charters to corporations, and the states tax these corporations. The states provide for the devolution of decedents' property, and the states levy inheritance taxes. But these legitimate and invaluable sources of state revenues are menaced by the national government. In 1909 Congress enacted a corporation tax—a tax on the corporate doing of business by state-chartered corporations—and the Supreme Court has unanimously declared the law to be constitutional. In the same year there was imminent danger of the enactment of a national inheritance tax. And one may venture to predict that if a national income tax is long delayed a national inheritance tax will be established. How then are our states to live if Congress invades the sources of supply of which hitherto the states have enjoyed a monopoly? And be

it remembered that at the present time the national finances are in good shape, while many of our states—even a state so rich as New York—have the greatest difficulty in meeting their budgetary requirements.

The states, indeed, meet with difficulties enough in dealing with corporation and inheritance taxes even when Congress keeps out of that field. For the taxpayers have a provoking habit of escaping these taxes by moving into another state's jurisdiction without any other change in their property or business. To meet that difficulty, and to avoid the double taxation which will necessarily result from the operation of both state and national corporation, inheritance, and income taxes, it has been suggested that all three taxes should be administered by the national government and that the revenues should be equitably apportioned between the nation and the several states,—the states perhaps further apportioning a share of their quota to localities. In our three-fold system of taxation—local, state, and national—the fiscal rights of localities and states should be carefully guarded against the encroachments of their more powerful federal partner. There is danger that localities and states will go bankrupt if all the richest sources of revenue are shared or monopolized by the federal government.

JEFFERSON'S AMERICANISM.

I am sure that this is good Jeffersonian doctrine. And I return to Jefferson. What is of immense and abiding inspiration in the man was his faith in the masses of the people, his regard for them, his belief in their wisdom and sense of right. This faith is the foundation of our American democracy, though of course it does not imply that a majority is either omniscient or infallible. Perhaps Jefferson sometimes tended to that extreme position. Yet, as Parton justly says, "He had more in him of that which makes the glory and hope of America than any other living creature known to us. American principles he more than believed in: he loved them, and he deemed their prevalence essential to the welfare of man."

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